

# **EXHIBIT 14**

## **PUBLIC VERSION**

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12 Attorneys for Defendant  
13 Adobe Systems Inc.

14 UNITED STATES DISTRICT COURT  
15  
16 NORTHERN DISTRICT OF CALIFORNIA, SAN JOSE DIVISION  
17

18 IN RE: HIGH-TECH EMPLOYEE  
19 ANTITRUST LITIGATION

20 THIS DOCUMENT RELATES TO:  
21  
22 ALL ACTIONS  
23

24 **Master Docket No. 11-CV-2509-LHK**

25 **DECLARATION OF DONNA**  
26 **MORRIS OF ADOBE SYSTEMS INC.**  
27 **IN SUPPORT OF DEFENDANTS'**  
28 **OPPOSITION TO PLAINTIFFS'**  
**MOTION FOR CLASS**  
**CERTIFICATION**

Date Consolidated Amended Compl. Filed:  
September 13, 2011

**ATTORNEYS EYES ONLY**

1 I, Donna Morris, declare as follows:

2 1. I am the Senior Vice President (“SVP”) of Global Human Resources at Adobe  
3 Systems Inc. (“Adobe”). I have been employed by Adobe in the human resources (“HR”)  
4 department for more than 10 years. I began working for Adobe in April 2002 as the Senior  
5 Director of Global Talent. In December 2005, I became the Vice President of Global Human  
6 Resource Operations. In March 2007, I was promoted to my current position.

7 2. I have personal knowledge of the matters stated in this declaration. I make the  
8 statements in this declaration based on information gained during my current and former positions  
9 within Adobe’s HR department. I have been responsible for all HR operations, including the  
10 compensation, benefits, and recruiting teams since March 2007. As part of my duties, I have  
11 gained historical knowledge of Adobe’s compensation practices before 2007 by reviewing  
12 Adobe’s past training and presentation materials and by participating in meetings and discussions  
13 with other Adobe employees. The compensation policies and practices described herein apply to  
14 Adobe’s salaried employees between January 1, 2005 and December 31, 2009 (the “Class  
15 Period”).

16 3. The information in this declaration and the exhibits attached are confidential to  
17 Adobe. It is Adobe’s practice to keep compensation policies and strategies confidential, for  
18 internal use only, and not to disclose them to the public. The public disclosure of this information  
19 would harm Adobe, including potentially impairing its competitive position in recruiting, hiring,  
20 and compensating employees. Adobe derives independent economic value from keeping this  
21 information confidential. Adobe has designated the information Attorneys Eyes Only under the  
22 Protective Order entered in this case.

23 4. During the Class Period, Adobe employed thousands of employees in more than  
24 400 job categories, including executives, human resource managers, compensation analysts,  
25 benefits managers, payroll managers, recruiters, attorneys, accountants, sales managers, product  
26 managers, various types of software developers, quality assurance analysts, IT employees,  
27 creative designers, web developers, facility managers, market research analysts, financial  
28 analysts, business analysts, internal auditors, and various other jobs. [REDACTED]

**ATTORNEYS EYES ONLY**

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[REDACTED]

**I. ADOBE'S COMPENSATION GENERALLY**

[REDACTED]

As examples, attached hereto as Exhibits 1 through 5 are true and correct copies of internal Adobe manager training presentations during the Class Period discussing Adobe's compensation policy:

a. Exhibit 1 (ADOBE\_015864), Adobe 2005 Performance, Salary & Stock Focal, February 2005 –

b. Exhibit 2 (ADOBE\_023747), 2007 Mini Performance Focal Manager Training, November & December 2006 –

c. Exhibit 3 (ADOBE\_015059) FY '07 Incentive Program Updates, February 15, 2007 –

d. Exhibit 4 (ADOBE\_009668) HR All Hands, September 11, 2008 –

e. Exhibit 5 (ADOBE\_009295) HR Strategic Plan 2010 – 2013,

## **II. HOW ADOBE SETS COMPENSATION FOR EXISTING EMPLOYEES**

9. Because of Adobe's strong emphasis on tying compensation to performance and differentiating compensation across employees, each employee's compensation was determined by that employee's manager who is in the best position to assess that employee's performance.

### **A. BASE SALARY**

#### **1. Performance Evaluations**

1 [REDACTED]  
2 [REDACTED]  
3 [REDACTED]  
4 [REDACTED] [REDACTED]  
5 [REDACTED]  
6 [REDACTED]  
7 [REDACTED]  
8 [REDACTED]  
9 [REDACTED]  
10 [REDACTED]  
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14 [REDACTED] [REDACTED]  
15 [REDACTED] [REDACTED]  
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20 [REDACTED] [REDACTED]  
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26 [REDACTED]  
27 //  
28 //



1                   **3.     Budget**

2           22.     Each year, Adobe determined a budget for managers to use for merit-based salary  
3 increases and promotions. [REDACTED]

4 [REDACTED]. See, for example, Exhibit 1, which is a true and correct copy of the 2005  
5 Focal Review (ADOBE\_015864). [REDACTED]

6 [REDACTED]  
7 [REDACTED]  
8 [REDACTED]  
9           **B.     BONUS AND EQUITY**

10 [REDACTED]  
11 [REDACTED]

12 [REDACTED]  
13 [REDACTED]  
14 [REDACTED]  
15 [REDACTED]  
16 [REDACTED]  
17 [REDACTED]  
18 [REDACTED]

19 [REDACTED]  
20 [REDACTED]  
21 [REDACTED]

22 [REDACTED]  
23 [REDACTED]  
24 [REDACTED]  
25 [REDACTED]  
26 [REDACTED]

27           **C.     TIMING OF ANNUAL COMPENSATION ADJUSTMENTS**

28           27.     Generally, adjustments to employee compensation occurred during the focal

1 period described above. Prior to 2007, the annual base salary, bonus, and equity grant  
2 adjustments became effective June 1<sup>st</sup>. In 2007, Adobe shifted its model to align the review  
3 period with the end of the fiscal year, making the annual salary, bonus, and equity grant  
4 adjustments effective on February 1<sup>st</sup>.

5 [REDACTED]  
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[REDACTED]

**III. NEW HIRE COMPENSATION**

[REDACTED]

**IV. INTERNAL EQUITY**

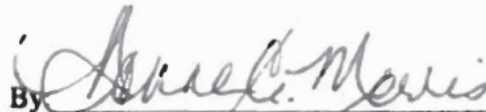
[REDACTED]

1 [REDACTED]  
 2 [REDACTED]  
 3 [REDACTED]  
 4 [REDACTED]  
 5 [REDACTED]  
 6 **V. MERGERS AND ACQUISITIONS**

7 35. In December of 2005, Adobe acquired San Francisco-based Macromedia, a  
 8 leading software solutions company. The acquisition added approximately 1,200 employees to  
 9 Adobe's headcount. The new employees had to be integrated into our company. [REDACTED]  
 10 [REDACTED]  
 11 [REDACTED]

12 36. After Macromedia, Adobe continued to make acquisitions, including the  
 13 acquisition of Navisware in 2005; TTF, Pixmantec, Interakt, Amicima, Serious Magic, and  
 14 Antepo in 2006; Scene7 and Virtual Ubiquity in 2007; Meer Meer and Yawah in 2008; and  
 15 Business Catalyst and Omniture in 2009. The most significant of these acquisitions was the  
 16 acquisition of Omniture, which added approximately 1,100 employees. [REDACTED]  
 17 [REDACTED]  
 18 [REDACTED]  
 19

20 I declare under penalty of perjury under the laws of the United States that the foregoing is  
 21 true and correct. Executed this 9<sup>th</sup> day of November 2012 in San Jose, California.  
 22

23   
 24 By \_\_\_\_\_  
 25 Donna Morris

26 SFI-771543  
 27  
 28

ATTORNEYS EYES ONLY

# EXHIBIT 1

DOCUMENT

PLACEHOLDER

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ADOBE\_015864  
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ADOBE\_015864-1

**Adobe® 2005 Performance,  
Salary & Stock Focal**

**Theresa Townsley  
Donna Morris  
Ellen Swarthout**

February 2005

Adobe Confidential






## Agenda

- High-level Timeline
- Talent Review Process
- Focal Training Overview
- Global Market Analysis

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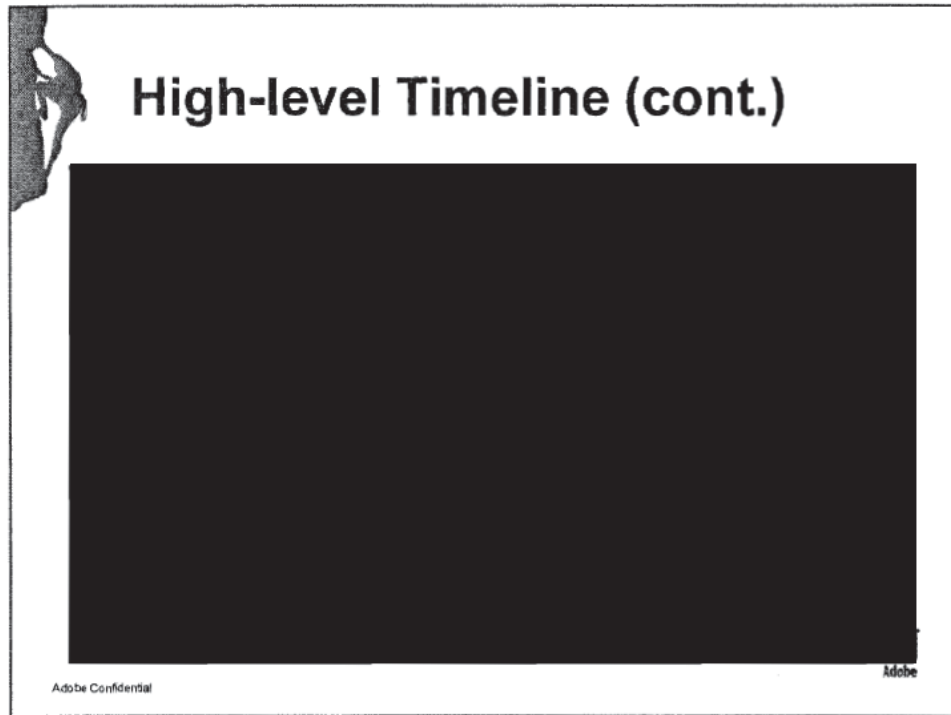
## High-level Timeline

- Feb. 21: All managers receive email to kick-off the Performance, Salary & Stock Focal process
- Mar. 14 – 30: To learn about the Focal process, all new managers and new employees attend general sessions, other managers and employees reviewing online resources
- Mar. - June: Managers can attend a training session to learn how to have a more effective performance discussion



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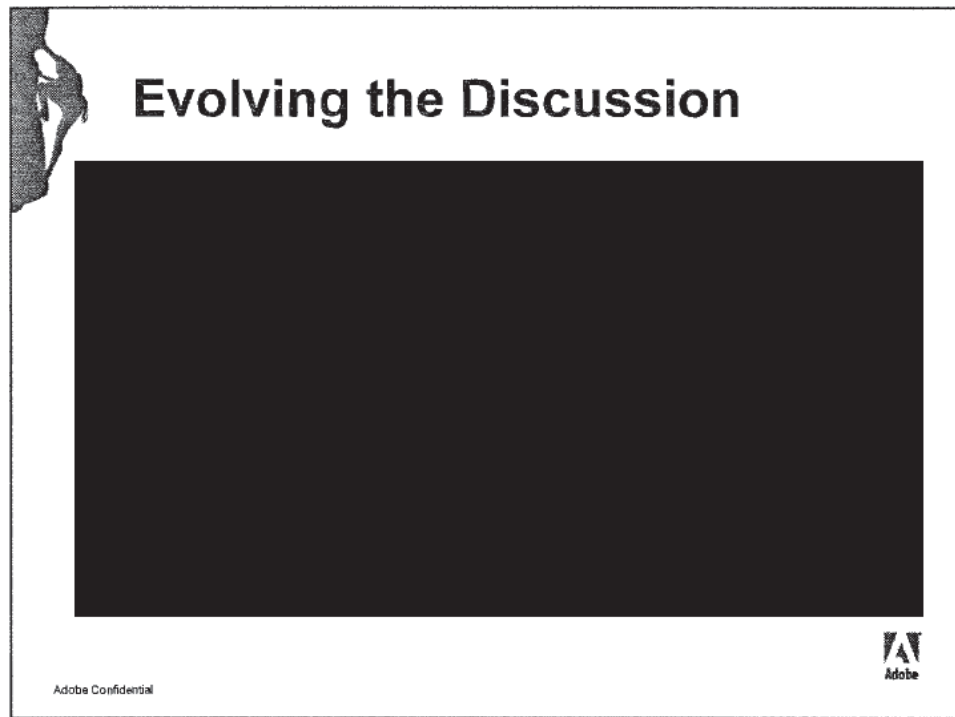


**Adobe Talent Review**  
*Integrating with Strategy  
and Operations*

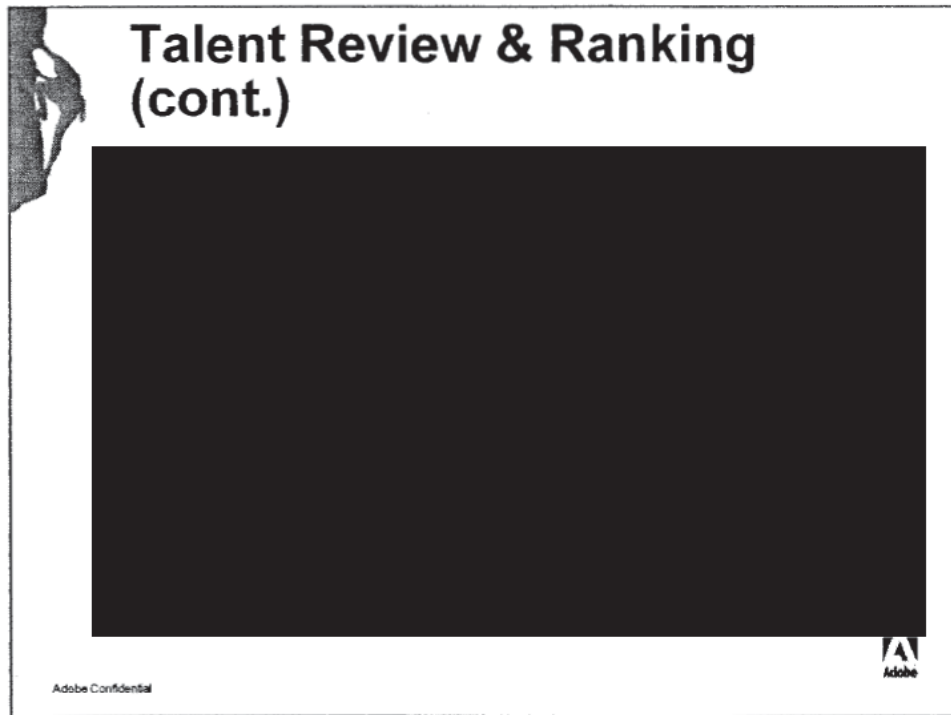
**Donna Morris**  
Senior Director, Talent

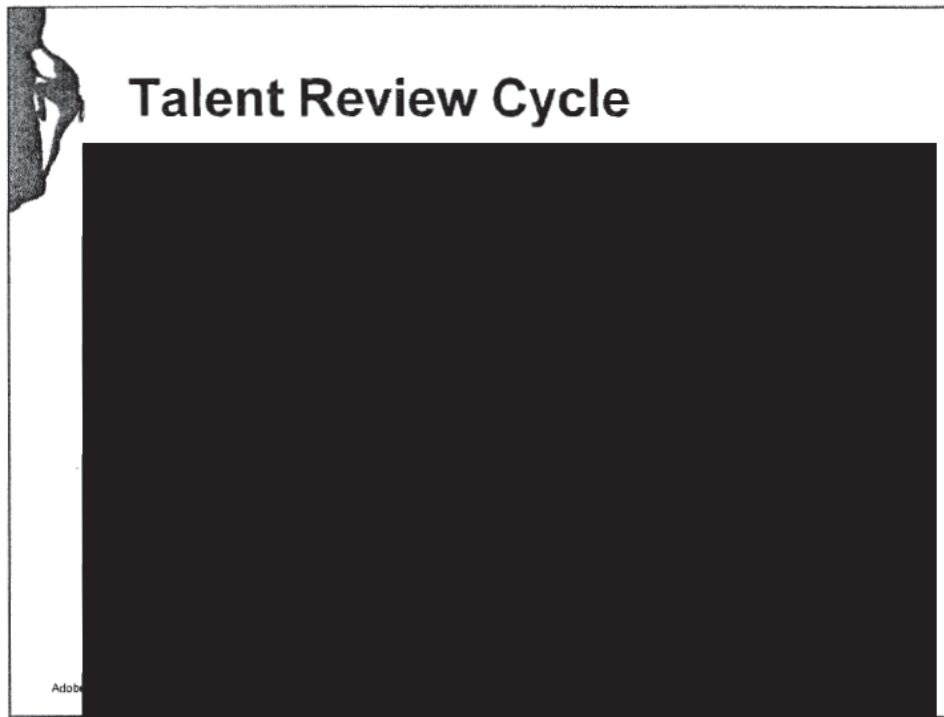
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## Focal Training Overview

- Based on feedback from 2004, the focus of training will shift from “process” to “delivering effective performance feedback”
- Focal “Process” information will be available online and a few in-person sessions for new managers
- Performance feedback training will be held from March through June, and then ongoing
- KTB (Knowing the Business) session on Compensation in late April

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# **Global Market Analysis**

**Ellen Swarthout**  
Director, WW Compensation

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## Compensation Philosophy

- To ensure we can attract and retain talented and motivated employees throughout the world partnering in our success, we provide competitive “Total Compensation” programs as appropriate to each country in which we do business.

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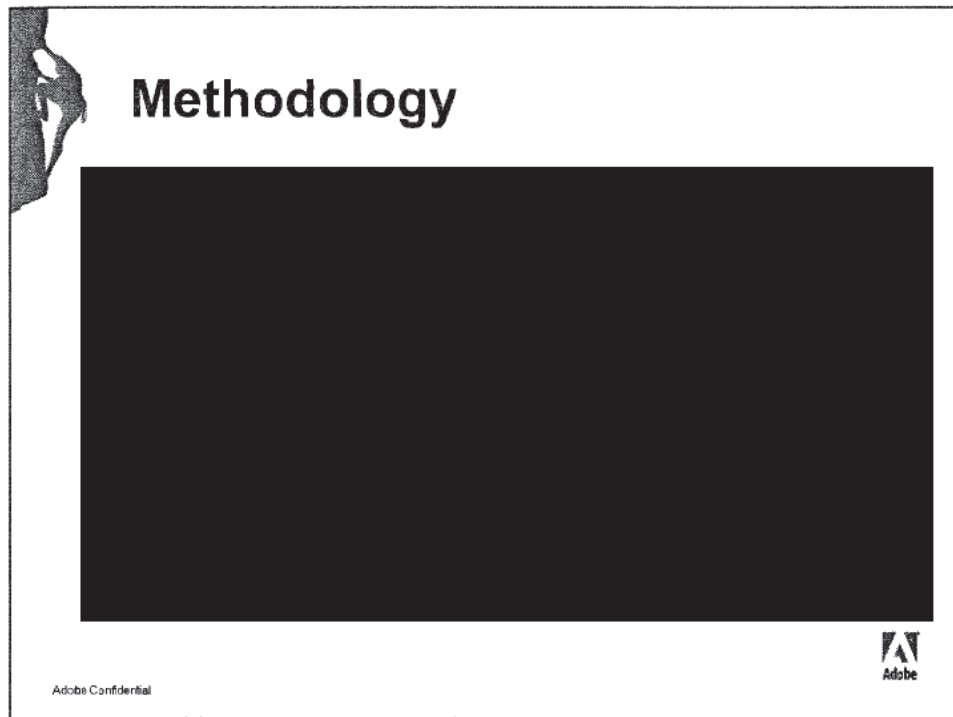


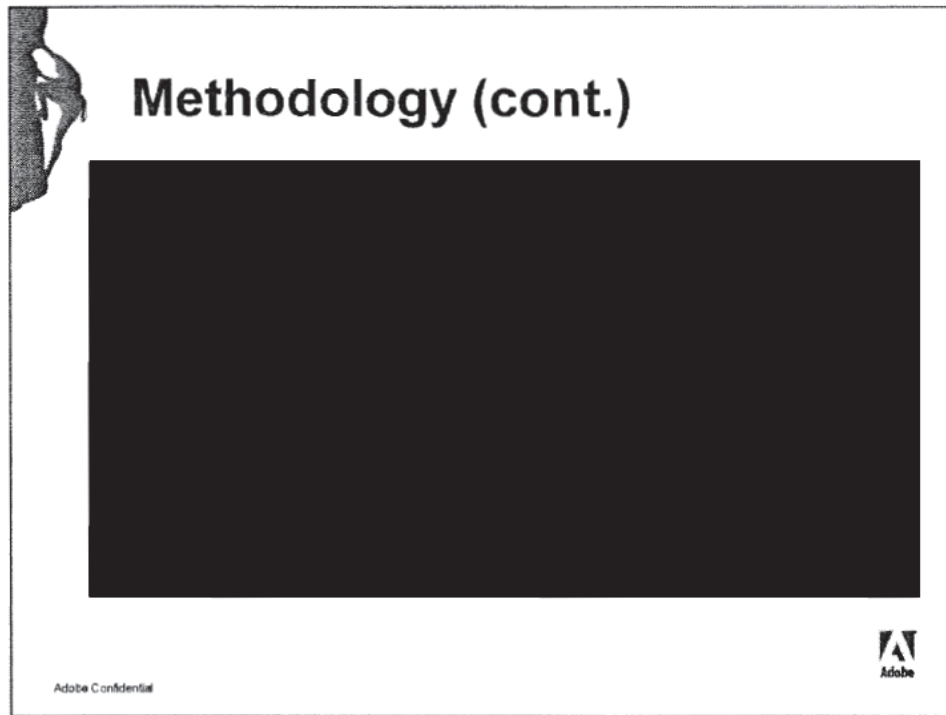
## Compensation Philosophy

- We are committed to the following principles:
  - We share our success with our employees.  
[REDACTED]
  - We provide a work environment including the tools, training and relevant information that supports a high level of personal and organizational productivity.
  - We work together as individuals, managers and teams to define goals, and hold ourselves accountable for objectives we set.  
[REDACTED]
  - We recognize and reward results and contributions tied to the success of the company and in support of company values.
  - We offer competitive benefits geared toward individual needs, flexibility, competitive environment, and cost effectiveness.
  - We offer or participate in programs, which allow employees to effectively plan for and manage their financial futures.
  - We communicate the goals, features and value of our programs.

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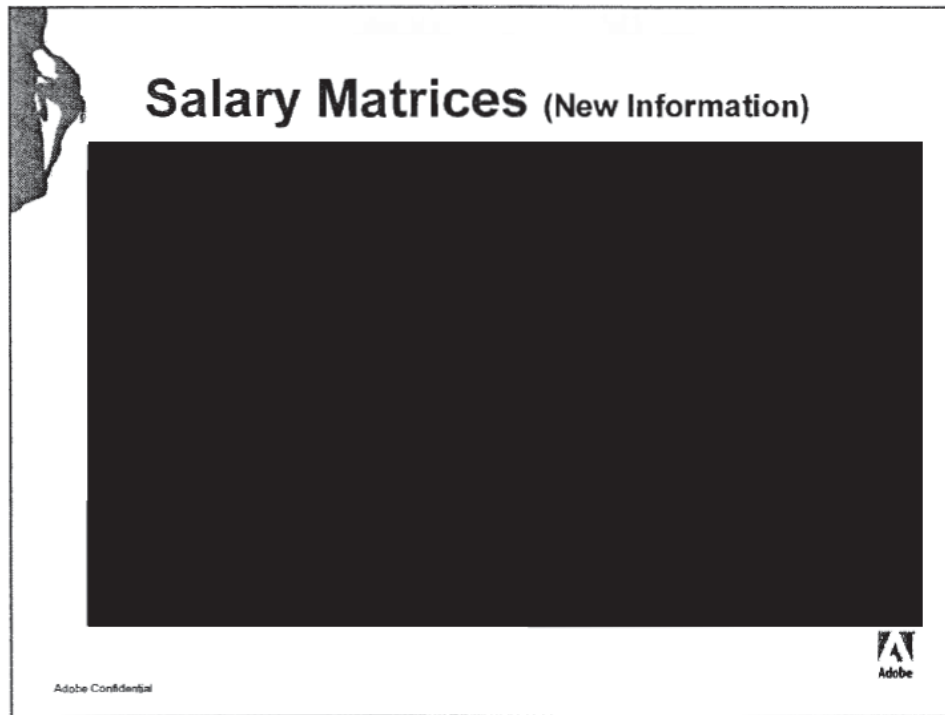


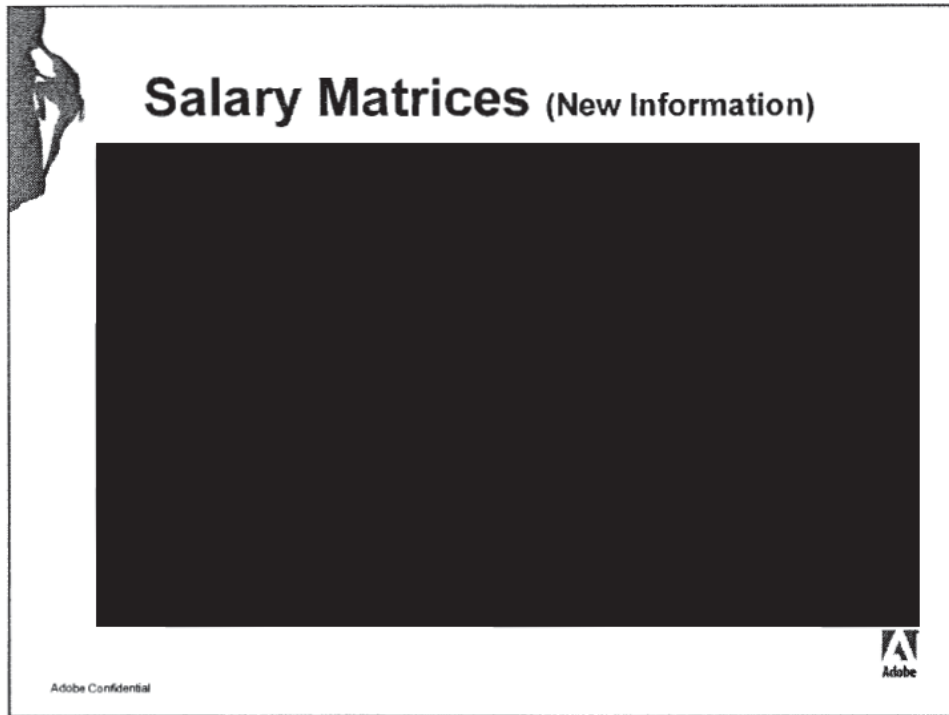


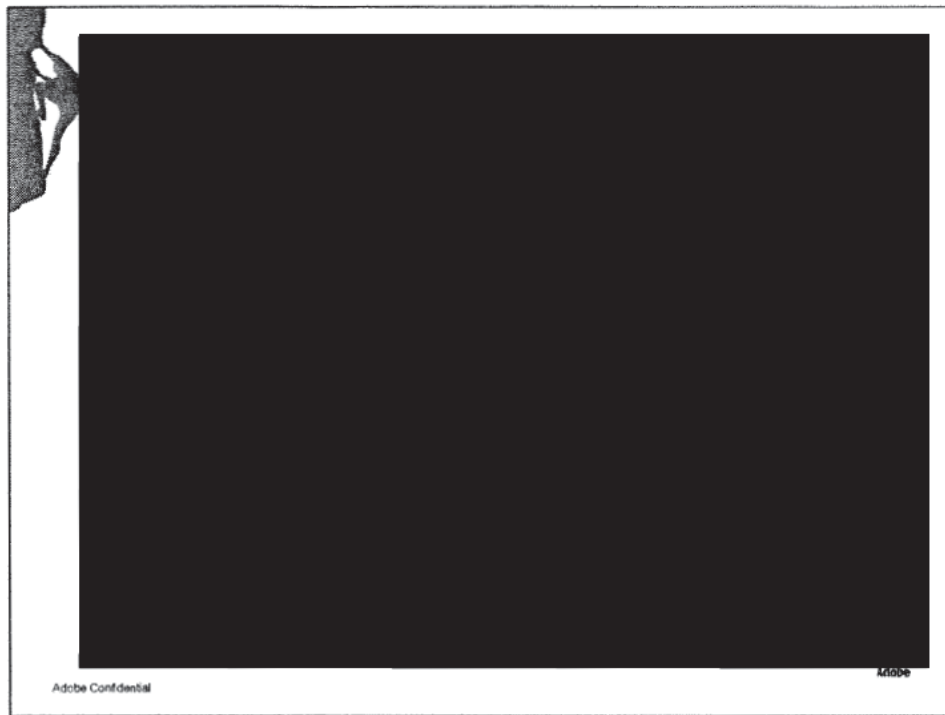


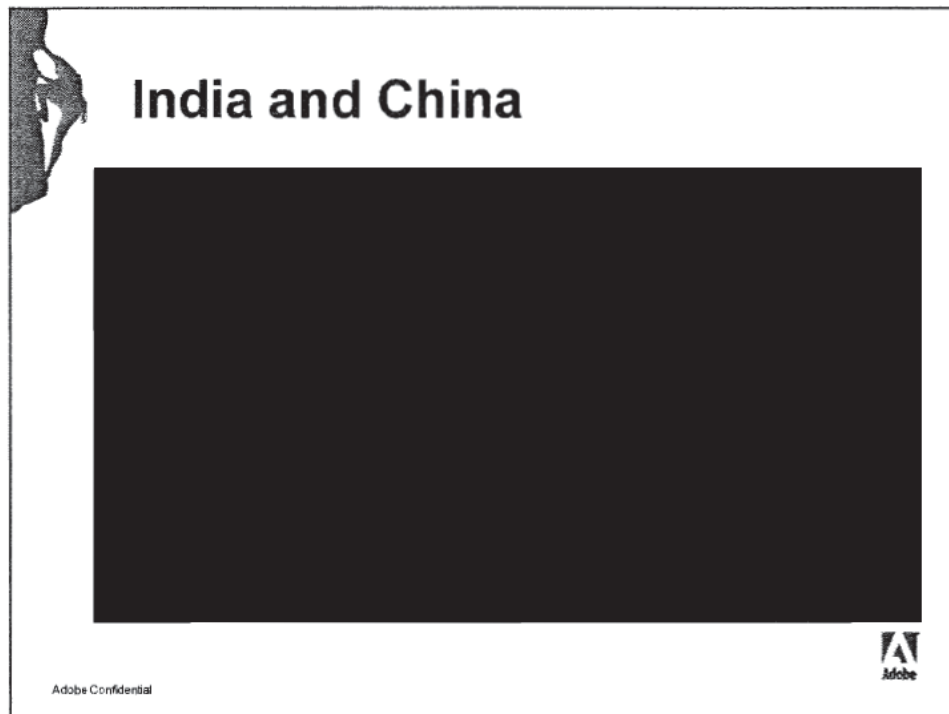




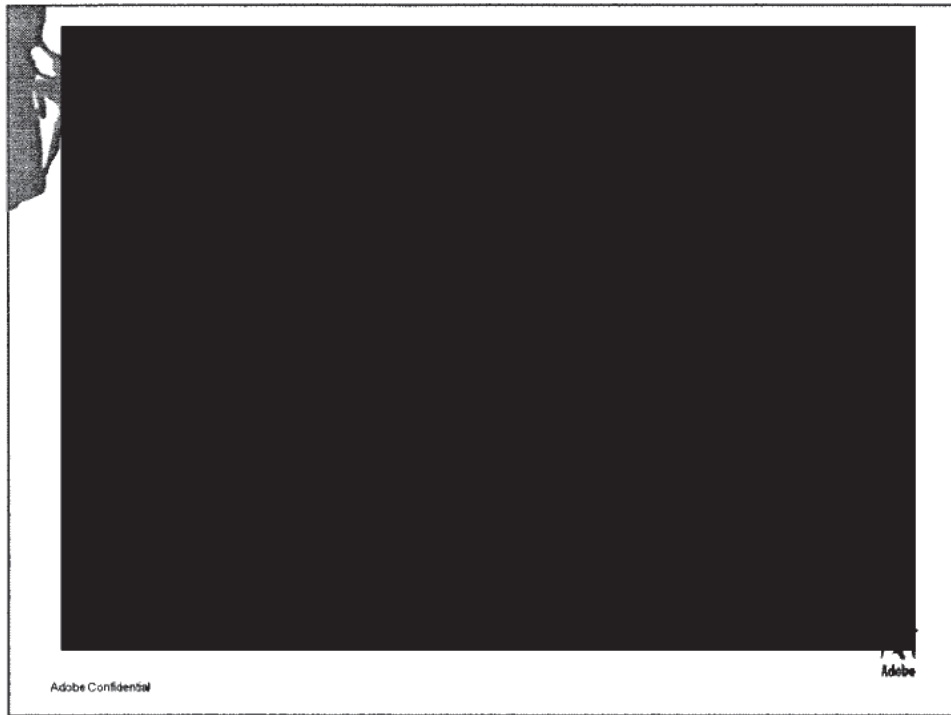


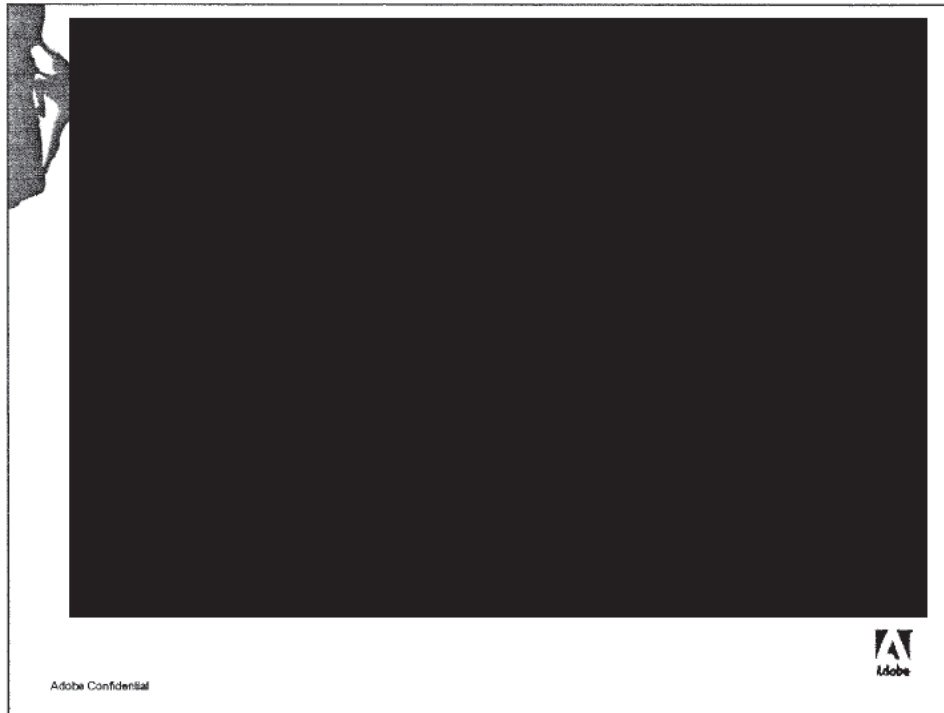


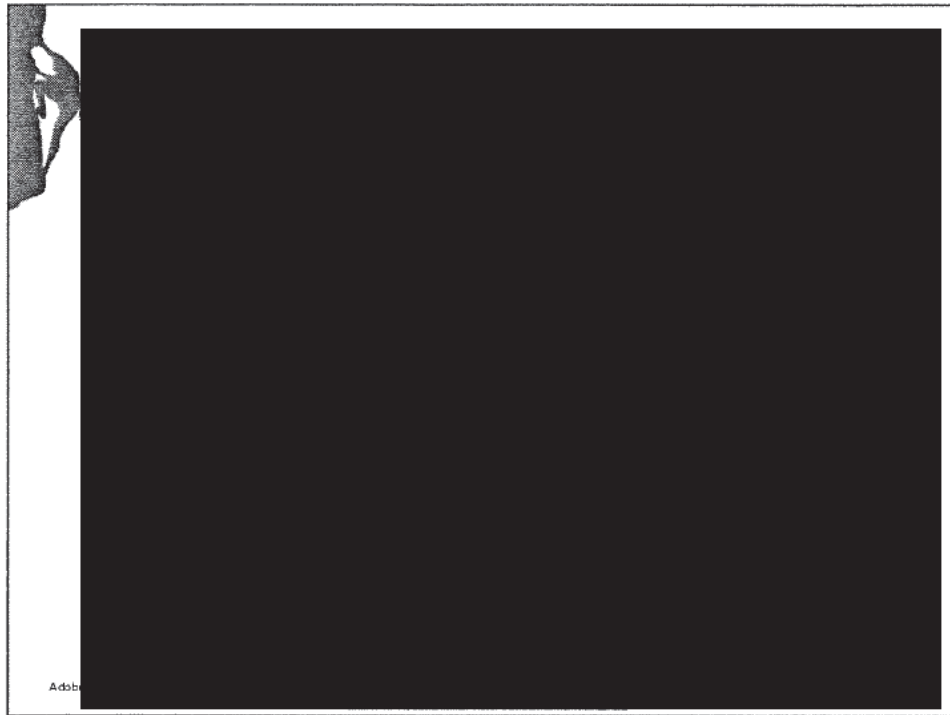
















# Rise to the Challenge

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# EXHIBIT 2

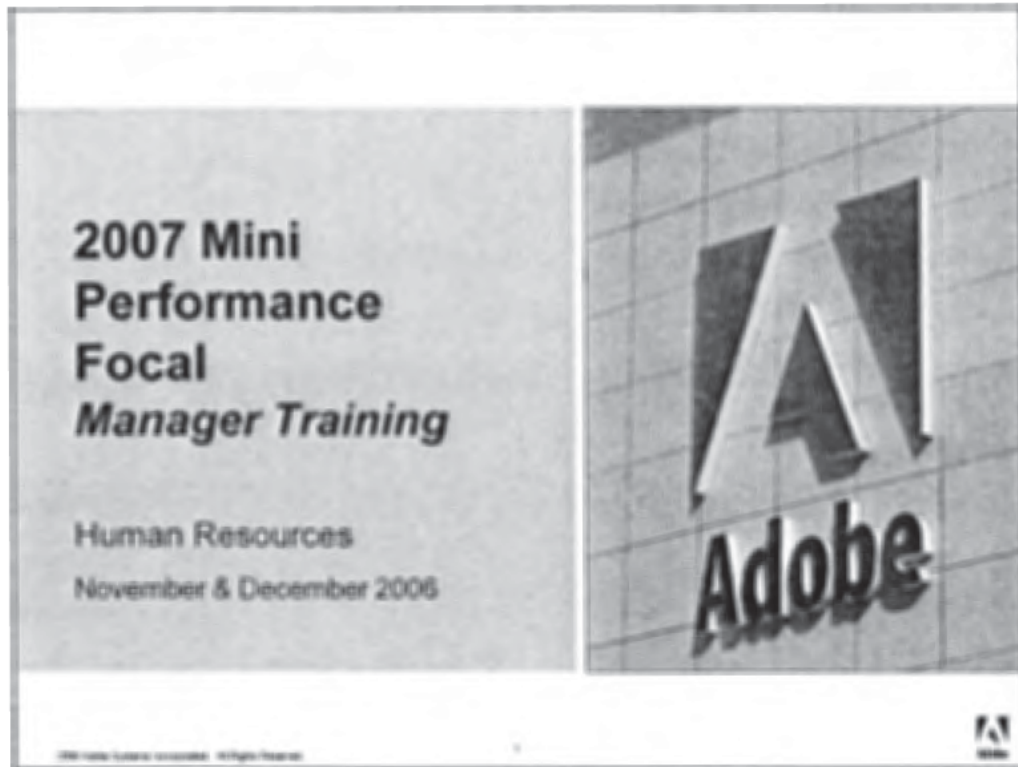
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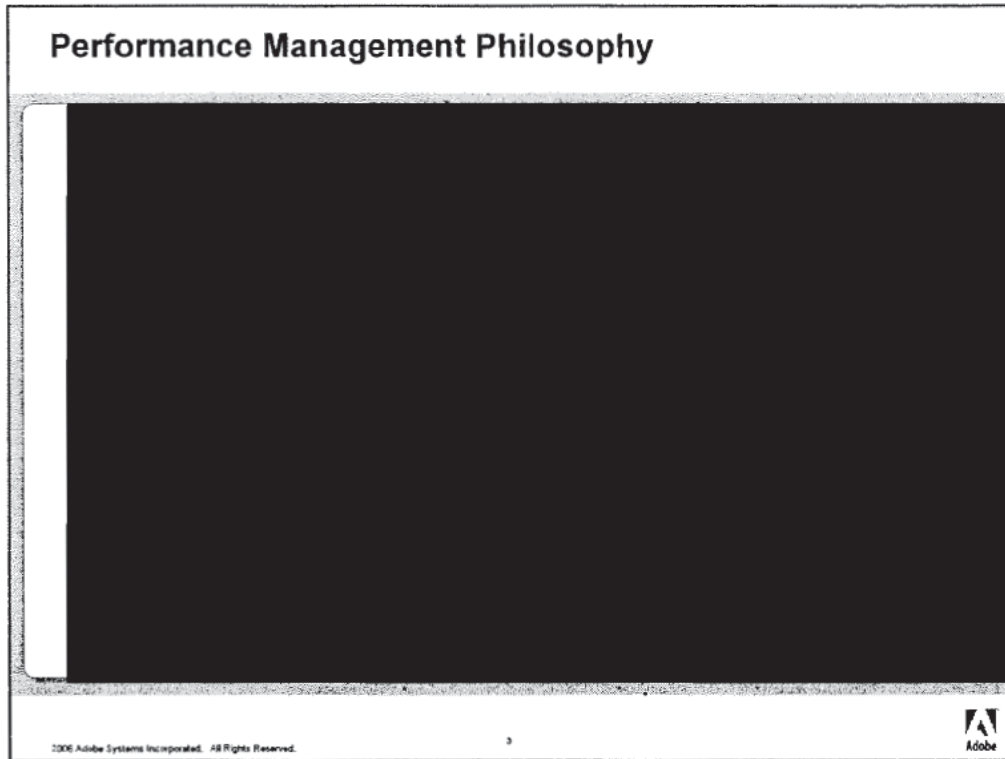
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- Introduce yourself and any other presenters with you.

## Agenda

1. Key Underlying Philosophies
2. Roles and Responsibilities
3. The Basics
4. Core Components
5. Timeline of Key Steps
6. Resources
7. Q&A




**It's simply better at Adobe**

Great People	Dynamic Environment	Winning Company
		
<ul style="list-style-type: none"><li>• Adobe attracts and retains talented, highly motivated individuals</li></ul>	<ul style="list-style-type: none"><li>• Adobe cultivates an energizing environment that instills a sense of pride and winning spirit</li></ul>	<ul style="list-style-type: none"><li>• Adobe inspires employees to contribute at peak performance and share in the success of this winning company</li></ul>

←..... Performance Management for a high-performing company .....→

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## Compensation Philosophy and Guiding Principles

- **Philosophy**

- To ensure we can attract and retain talented and motivated employees throughout the world partnering in our success, we provide competitive "Total Compensation" programs as appropriate to each country in which we do business.

- **Guiding Principles**

- We share our success with our employees.

- We provide a work environment including the tools, training and relevant information that supports a high level of personal and organizational productivity.

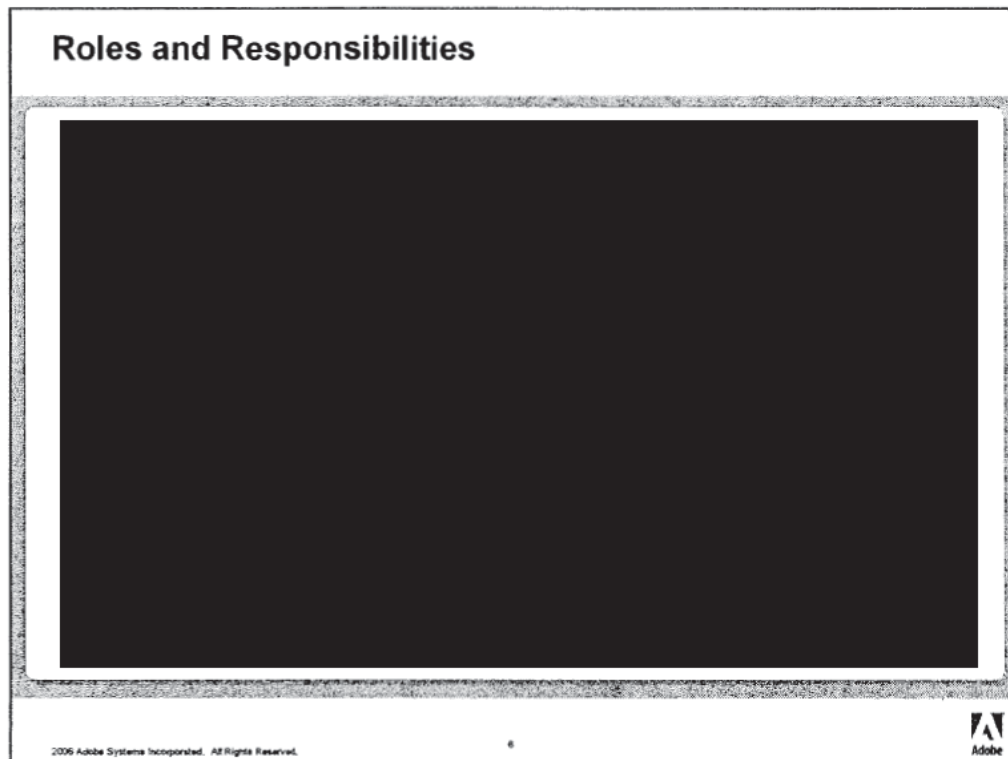
- We work together as individuals, managers and teams to define goals, and hold ourselves accountable for objectives we set.

- We recognize and reward results and contributions tied to the success of the company and in support of company values.

- We offer competitive benefits geared toward individual needs, flexibility, competitive environment, and cost effectiveness.

- We offer or participate in programs, which allow employees to effectively plan for and manage their financial futures.

- We communicate the goals, features and value of our programs.



- Describe who the members are on the CTeam (Bruce and his direct reports) and MTeam (CTeam plus some of Shantanu and the SVP of Sales' direct reports)